EXHIBIT J



Californ Regional Water Quality Contral Valley Region

Karl E. Longley, ScD, P.E., Chair



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12 August 2009

Richard Sykora P.O. Box 622 Forest Hill, CA 95631 ILE COPY



rol Board

NOTICE OF VIOLATION, FAILURE TO SUBMIT ANNUAL MONITORING SUMMARY REPORT RED INK MAID AND BIG SEAM MINE, PLACER COUNTY

This Notice of Violation (NOV) is issued to Richard Sykora for violations of Waste Discharge Requirements (WDRs) Order No. R5-2007-0181 and Monitoring and Reporting Program (MRP) No. R5-2007-0181 for the Red Ink Maid and Big Seam Mining Claims. Compliance with the MRP, and with the companion Standard Provisions and Reporting Requirements, is ordered by WDRs Order No. R5-2007-0181.

Section A.1 of the MRP requires the following:

"The Discharger shall monitor all wastes discharged to the mine waste dump in accordance with the methods and frequencies specified in Table 1 and report the results in the Annual Monitoring Summary Report."

Section A.2 of the MRP requires the following:

"The monitoring and reporting conducted for the Discharger's general industrial permit is sufficient to fulfill the requirements of this section. All storm water monitoring points shall be sampled and analyzed for monitoring parameters and constituents of concern as indicated and listed in Table 2."

To date, the Central Valley Regional Water Quality Board (Central Valley Water Board) has not received:

- Annual Monitoring Summary Report for 2007-2008, which was due by 1 July 2008.
- Annual Monitoring Summary Report for 2008-2009, which was due by 1 July 2009, and
- The referenced *general industrial permit* (Annual Report for Industrial Storm Water) for 2008-2009, which was due by 1 July 2009.

Furthermore, information obtained from the State Water Resources Control Board indicates that as of 7 July 2009 the annual fee for WDRs Order No. R5-2007-0181 for the Red Ink Maid and Big Seam Mining Claims had not been paid. Payment of the annual fee was due on **28 December 2008**. State law (California Water Code Section 13260) requires that every holder of a WDR order pay a yearly fee for each order.

California Environmental Protection Agency

Failure to pay the required fee is a violation under California law (Water Code Section 13261) and could result in criminal prosecution as well as a civil liability assessment of up to \$1000 per day for each day that fees go unpaid and/or rescission of your permit. Failure to comply will make you potentially liable for the full amount of a civil liability assessment from the date of the first invoice in addition to the original invoice amount. The Central Valley Water Board may issue an Administrative Civil Liability complaint pursuant to Water Code Section 13261.

Therefore, by 11 September 2009, Richard Sykora shall submit the following:

- Annual Monitoring Summary Report for 2007-2008.
- Annual Monitoring Summary Report for 2008-2009.
- The Annual Report for Industrial Storm Water for 2008-2009, and
- The annual fee of \$2,234. for WDRs Order No. R5-2007-0181.

Should you have any questions, please contact Jeff Huggins at (916) 464-4639.

VICTOR IZZO
Senior Engineering Geologist
Title 27 Permitting and Mining

cc: (electronic copies to)

Chris Fischer, District Ranger, US Forest Service, American River Ranger District Foresthill Greg Schimke, Minerals Officer, US Forest Service, Tahoe National Forest Rick Weaver, Hydrologist, US Forest Service, Tahoe National Forest Mo Tebbe, US Forest Service, American River Ranger District Foresthill Ted Rel, Placer County Community Resource Agency, Auburn Mike Luksic, Department of Conservation, Office of Mine Reclamation, Sacramento David Ceccarelli, SWRCB Fee Manager Nova Clemenza, Central Valley Water Board, Storm Water Unit